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[CLICK HERE FOR CEO's REPORT DATED AUGUST 19, 2008](#)

[CLICK HERE FOR CEO's REPORT DATED APRIL 8, 2010](#)

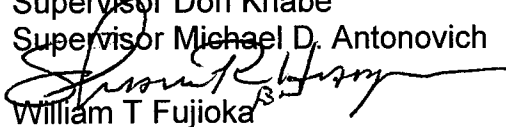


County of Los Angeles CHIEF EXECUTIVE OFFICE

Kenneth Hahn Hall of Administration
500 West Temple Street, Room 713, Los Angeles, California 90012
(213) 974-1101
<http://ceo.lacounty.gov>

WILLIAM T FUJIOKA
Chief Executive Officer

August 19, 2008

To: Supervisor Yvonne B. Burke, Chair
Supervisor Gloria Molina
Supervisor Zev Yaroslavsky
Supervisor Don Knabe
Supervisor Michael D. Antonovich
From: 
William T Fujioka
Chief Executive Officer

Board of Supervisors
GLORIA MOLINA
First District

YVONNE B. BURKE
Second District

ZEV YAROSLAVSKY
Third District

DON KNABE
Fourth District

MICHAEL D. ANTONOVICH
Fifth District

REQUEST FOR ADDITIONAL TIME TO REVIEW AND RESPOND TO ECONOMY AND EFFICIENCY COMMISSION REPORT ON NEW GOVERNANCE STRUCTURE

At the meeting held on July 22, 2008, the Board approved a motion instructing the Chief Executive Officer to:

- Review the recommendations of the Los Angeles County Citizens' Economy and Efficiency Commission;
- Meet with the Chief Deputies of the Board; and
- Report back to the Board within 30 days with a response.

We have reviewed the Economy and Efficiency Commission report and have identified several operational changes that should address the concerns noted in the report. We met with the Chief Deputies on August 6, 2008. A follow up meeting with the Chief Deputies is currently being scheduled for September, 2008. We will prepare our report back after that meeting.

We request a 60-day extension to October 22, 2008, for the report back.

If you have any questions, or need additional information, please contact Ellen Sandt at (213) 974-1186, or via e-mail at esandt@ceo.lacounty.gov.

WTF:ES:ef

c: Executive Officer, Board of Supervisors

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"To Enrich Lives Through Effective And Caring Service"

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WILLIAM T FUJIOKA
Chief Executive Officer

Board of Supervisors
GLORIA MOLINA
First District

MARK RIDLEY-THOMAS
Second District

ZEV YAROSLAVSKY
Third District

DON KNABE
Fourth District

MICHAEL D. ANTONOVICH
Fifth District

April 8, 2010

To: Supervisor Gloria Molina, Chair
Supervisor Mark Ridley-Thomas
Supervisor Zev Yaroslavsky
Supervisor Don Knabe
Supervisor Michael D. Antonovich

From: William T Fujioka
Chief Executive Officer

A handwritten signature in black ink, appearing to be "W. T. Fujioka", written over a horizontal line.

ASSESSMENT OF COUNTY GOVERNANCE STRUCTURE, AND CHIEF EXECUTIVE OFFICE STRATEGIC PLAN

In July 2008, the Citizens' Economy and Efficiency (E&E) Commission issued a report on implementation of the County's new governance structure approved by your Board in May of 2007, including the establishment of the position of Chief Executive Officer. On July 22, 2008, your Board instructed this Office to review the recommendations within the E&E report; meet with the Chief Deputies of your Board; and report back to the Board within 30 days with a response. Based upon the subsequent meeting and discussion between the Chief Executive Officer and your Board's Chief Deputies, this Office secured a consultant to conduct a thorough assessment of the original objectives of the restructuring and the implementation of the new structure.

The final version of the assessment, conducted by PerformanceWorks and entitled "County of Los Angeles Governance Structure Assessment and Recommendations: Strategy for Moving Forward," is attached. Both the E&E report and the PerformanceWorks assessment noted distinct improvements resulting from the new governance structure, notably in collaboration, cross departmental and cluster coordination and communication, but also identified continuing challenges, including clarification and consistency regarding roles and responsibilities.

Also attached is the new CEO Strategic Plan, which updates the Strategic Plan prepared for the Chief Administrative Office in 2002. The Plan addresses both the internal operations and structure of the CEO, as well as the CEO's countywide role, and

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Each Supervisor
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is specifically geared to address issues raised by both the E&E and PerformanceWorks studies.

We look forward to working closely with your Board offices and all County departments as we implement the goals, strategies and objectives of the CEO Strategic Plan. We will continue to make improvements to realize and maximize the originally intended outcomes of the new governance structure, including improving service integration, strengthening your Board's policy role, focusing on results for County customers, and improving the quality and responsiveness of services to County residents.

If you have any questions or require additional information, please have your staff contact Ellen Sandt at (213) 974-1186 or esandt@ceo.lacounty.gov, or Martin Zimmerman at (213) 974-1326 or mzimmerman@ceo.lacounty.gov.

WTF:ES
MKZ:acn

Attachments

c: All Department Heads
Economy and Efficiency Commission
Quality and Productivity Commission

**County of Los Angeles Governance Structure
Assessment and Recommendations:
Strategy for Moving Forward**

August 12, 2009

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In March 2007, the Los Angeles County Board of Supervisors **approved a new structure for governance of the County**. As dictated by the ordinance authorizing the transition to the new governance structure, Performance Works, in conjunction with Altmayer Consulting, was retained to conduct an assessment of the effectiveness of the new structure. The **ordinance stipulated that an audit be conducted 18 months following the introduction of the governance structure to review and assess the impact and effectiveness** of the new structure on performance and on the County's ability to achieve stated objectives. We're pleased to report on the results of that effort.

Project Overview

Specifically, the study consisted of three primary components:

1. **Review progress made towards achieving the key objectives** of the CEO governance structure as of December 2008.
2. **Develop an implementation plan for County management and leadership to complete implementation** of any remaining unfinished objectives approved by the Board of Supervisors when they established the CEO.
3. **Establish performance metrics to direct future implementation activities** and to evaluate performance and effectiveness of current work efforts.

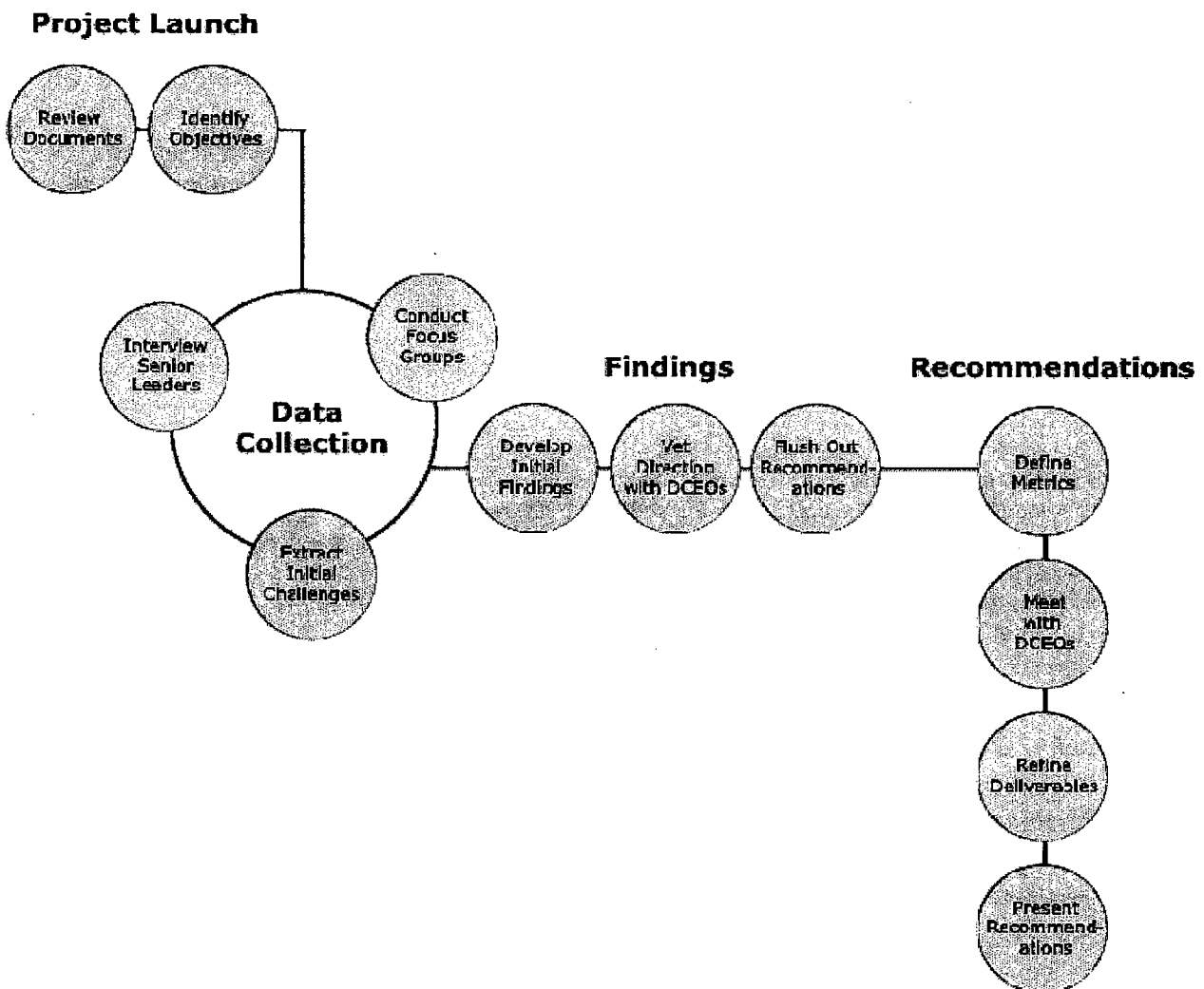
Executive Summary

In summary, the review found differing assessments as to the degree to which progress has been made against the intended objectives of the governance change. Despite these different assessments, there was a collective understanding of the potential value of the CEO structure and no one suggested the structure be discontinued. Noted improvements were made in terms of collaboration and integration of County services, but these improvements have largely not yet translated into measurable improvements. This report defines six recommendations to optimizing the transition to the new governance structure:

1. **Affirm County Executive as the manager of applicable departments**, while setting expectations of facilitative orientation
2. **Define key roles and responsibilities** to support effective implementation of the governance structure
3. **Create explicit priorities**, aligned with Strategic Plan, to direct organization-wide efforts. This alignment must be tied to **outcome-based metrics**
4. **Deliver targeted training** necessary to optimize performance of the governance structure
5. **Deliver a comprehensive communications program**
6. **Develop a change management program** beyond communications and training

The Consultant team undertook a process that relied heavily on **input from various stakeholders** within the County to clearly understand the organization's progress in reaching the ordinance objectives. This exploration involved **one-on-one interviews with senior executives** among board offices, CEO Office staff and internal clients. It also included **focus groups** with a cross-section of departmental staff. The active involvement of staff helped reveal critical perspectives about the nature of the work, the impacts of the new structure, and ongoing challenges.

The Entire Process



One of the first activities of the project was to **articulate the objectives of the new structure** defined by the ordinance as a lens for data collection and analysis. The ordinance itself did not specifically define these objectives, so the team reviewed associated documents and board comments during ordinance discussion to capture clear and measurable objectives for the new governance structure. The following eight (8) items were identified as objectives for the new structure and confirmed by County leadership and management for accuracy and relevance.

Governance Structure Objectives

- Improved **customer service** and increased customer accessibility
- Improved **operational effectiveness** and efficiency within and across County departments
- More effective **internal communications** across departments
- More effective **communication with the Board of Supervisors**
- Better **cross departmental collaboration** and integration on County initiatives
- More effective systems to increase **accountability**
- Heightened **focus on policy setting** and discussion with the Board of Supervisors
- Greater **clarity on roles, responsibilities and authority** throughout County management

As precursor to the interviews and focus groups, a **simple survey tool was developed to assess perspectives on the importance of each of the ordinance objectives relative to the performance of the new governance structure** in achieving these objectives. The methodology allows analysis of the difference between these ratings (the “delta”) to evaluate objectives most in need of additional attention. With the hindsight of many such surveys, a good rule of thumb—when a 1-10 scale is used—is a delta greater than 2 deserves attention, a delta between 1 and 2 indicates satisfactory performance, and a delta below 1, which can even include a negative delta, indicates a high—or even unnecessarily high—level of satisfaction.

Quantitative Survey Methodology

Importance — Performance = Delta

“On a scale of 1 – 10, with 10 high, how important is this objective to overall County Performance?”

“On a scale of 1 – 10, how effective has the new governance structure been at achieving this objective?”

Importance rating minus Performance rating
(Positive when Importance is greater; negative when Performance is greater)

When asked to rank the importance of ordinance objectives and the performance of the structure in achieving these objectives, interviewees — on average — noted that although the time since transition was short, there has been progress toward achieving ordinance objectives. **Most consistent is the noted progress on “More effective internal communications across departments,” with the smallest delta of 1.6.** There are, however, **objectives which net a larger delta: a “Heightened focus on policy setting and discussion within the Board of Supervisors” had the highest delta at 3.3.** Close behind was “Improved customer service and increased customer accessibility” and “Greater clarity on roles, responsibilities, and authority.”

Findings Summary: The Scores

¹ See Methodology on previous page

Item	Importance	Performance	Delta
Improved customer service and increased customer accessibility	8.7	5.5	3.2
Improved operational effectiveness and efficiency within County departments	9.1	6.4	2.7
More effective internal communications across departments	8.0	6.4	1.6
More effective communication with the Board of Supervisors	8.4	5.4	3.0
Better cross departmental integration and collaboration on County initiatives	9.6	7.8	1.8
More effective systems to increase accountability	8.3	5.9	2.4
Heightened focus on policy setting and discussion within the Board of Supervisors	8.1	4.8	3.3
Greater clarity on roles, responsibilities and authority throughout County	8.5	5.5	3.0

While cumulative deltas between Importance and Performance indicate areas for improvement, they also suggest consensus on progress toward collaboration. However, when viewing deltas by role, a different picture emerges. The CEO's Office and Department Heads share a view the new governance structure has made significant progress to improve performance and achieve ordinance objectives. Conversely, six of eight Supervisor's office deltas were 7.0 or greater. Their average delta alone was 6.6 — over twice the highest delta in either of the other two groups. The Supervisor's offices clearly believe the new structure has been less successful in achieving ordinance goals than do those in the CEO Office or the Department Heads. However, Board Offices noted that while progress may not have met their initial expectations, they were not advocating for a return to the former CAO structure as they believe additional successes would be achieved over time.

Findings Summary: The Scores by Role

Item	Supervisor Average Delta	Dept. Head Average Delta	CEO Office Average Delta
Improved customer service and increased customer accessibility	9.0	1.8	3.0
Improved operational effectiveness and efficiency within County departments	8.3	2.1	1.1
More effective internal communications across departments	4.3	0.8	1.0
More effective communication with the Board of Supervisors	8.8	2.3	0.9
Better cross departmental integration and collaboration on County initiatives	3.0	1.4	1.3
More effective systems to increase accountability	7.0	1.0	1.4
Heightened focus on policy setting and discussion within the Board of Supervisors	7.3	2.5	1.7
Greater clarity on roles, responsibilities and authority throughout County	9.0	2.3	0.9

In the 18 months since the new governance structure has been in place, many operational and organizational changes have occurred which have been highly successful and can rightly be viewed as progress towards ordinance objectives. **Uniformly across audiences, increased collaboration and communication are seen as the two benefits of the structure to date.** The quotes come from interviews and focus groups.

Findings Summary: Organizational Progress

- Increased emphasis on cross departmental initiatives
 - “The new structure has added engagement. Before the change, everyone worked in silos; they wouldn’t talk to each other. Now people have a forum for sharing and collaborating.”
- Reports of more thorough oversight
 - “ CEO Office is effective in pre-solving problems before they escalate to the Board.”
- Increasing visibility of issues and opportunities
 - “We instituted a Management Appraisal Program charting shared goals, initiatives and actions across County.”
- Instances of department/budget-analyst productive collaboration
 - “Budget staff helped maintain service in spite of need to fit budget. It was a ‘surprise moment.’ ”
- Majority perceive or expect operational advantages over time
 - “DHS is working closely with Operations and ISD to develop new purchasing initiatives.”

The following are additional quotes from interviews and focus groups indicative of the themes of assertions of progress by the new structure in achieving ordinance objectives.

Findings Summary: More Progress Quotes

- “Seeing connections among services and across services. Broader perspectives facilitated through clusters and DCEOs.”
- “More communication between departments in a cluster, ‘a success.’ ”
- “Public Defender and DA are working together better than ever, delivering better support for indigent population and reducing # of misdemeanor clients.”
- “Example of a meeting that wouldn’t have happened under old structure: DHS, LA/USC doctors, DMH all came to one meeting to determine who was going to provide MH services for LA/USC outpatient clinic.”
- “The structure is clearly moving in the right direction. The previous ‘governance by intimidation’ doesn’t lead to success.”
- “For department heads, a community of colleagues has been created to share and collaborate with.”
- “The new structure helps Board communication, clarifies issues, and helps create order.”

Alongside the progress made, **there have been many organizational challenges which have hampered the overall success of the new structure.** The challenges noted are the result of a range of factors, both internal and external, which with proactive attention can be remedied and resolved.

Findings Summary: Organizational Challenges

- Questions on value of increased processes and requirements for consistency
 - “We’re not improving customer satisfaction because government is operating slower.”
- Roles and behavior defined by individual approach and style
 - “The murkiness of the roles is central to all issues, it will continue to compromise the effectiveness of the County and the structure.”
 - “The Cluster system has helped collaborations. But depends on ability of DCEO to pull the right people together.”
- Lack of expertise hampers individual performance
 - “Decisions are being made by budget analysts without them understanding the impact; they have power without experience and information.”
- Clearer, more timely communication would increase productivity
 - “Communication is filtered and censored, feedback isn’t recognized or included (on reports).”
- Minimal change on communication from the Board to departments
 - “We’ve seen no reduction in the Board’s involvement in micro issues.”
- Little or no perceived impact on policy discussion
 - “No change.” “No change.” “No change.”
- Lack of explicit and shared direction about priorities and plans
 - “Big gap between strategic objectives and what’s actually happening.”

The following are additional quotes from interviews and focus groups indicative of the ongoing challenges of the new structure in achieving ordinance objectives.

Findings Summary: More Challenge Quotes

- “Is quality up? Maybe not, it’s just more consistent. I question the benefit.”
- “Do we really understand our roles? And will the Board let us operate that way?”
- “Our analyst thinks our department doesn't communicate well, but our analyst seems unable to understand issues.”
- “Communication is at the heart of the problem since the new structure.”
- “There are mixed messages among the DCEO, CEO and Board.... The hybrid structure makes communication more difficult.”
- “We need greater priority setting; it’s all urgent, so the question is how do we systematically maximize our impact?”
- “We're held back by poor communication on decisions. Only CEO & DCEO make decisions.”
- “We’ve seen no increase in the Board’s policy focus.”

Despite the best intentions and efforts of the County, obstacles to change exist that are slowing progress towards desired outcomes. In general, obstacles may be either external or internal in nature, impede movement and reduce motivation for change.

One obstacle often discussed is the organizational resistance to the cultural change required by the new governance structure. It represents a major shift for the County and requires significant attention. To **counteract the resistance and build support for sustainable change, the County must actively work to promote and recruit change agents** committed to advancing the governance structure.

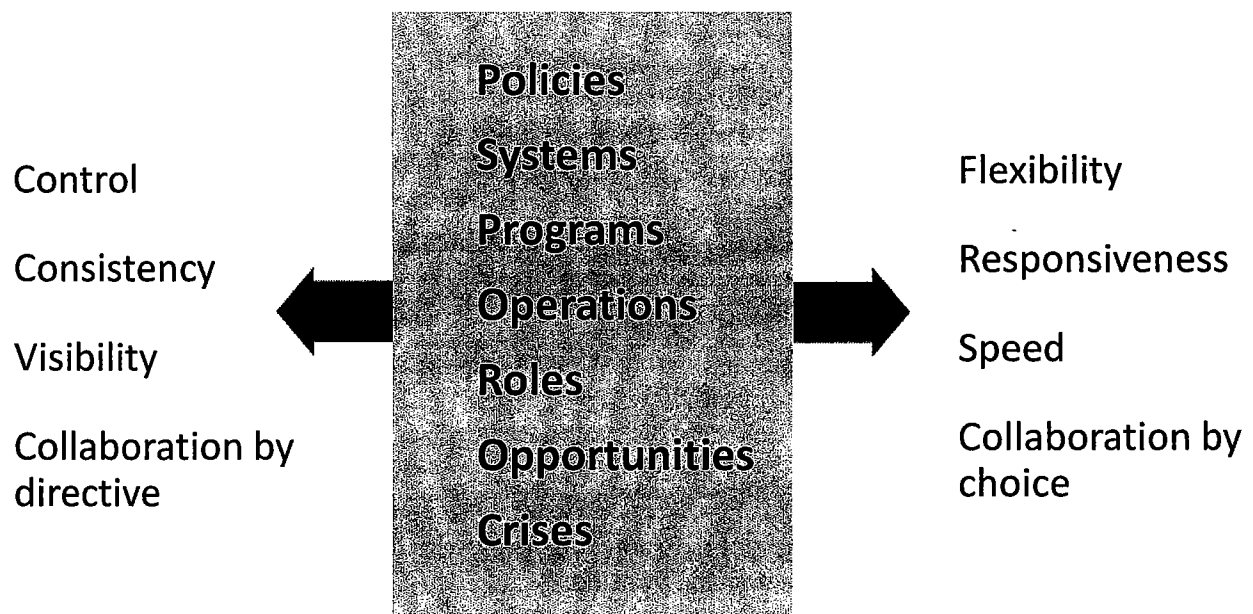
Openly and explicitly acknowledging and addressing these obstacles will not only help the County move toward success in implementing the new ordinance, but will also signal to employees the seriousness of County management's commitment to successful implementation.

Obstacles

- **Size and Complexity**
 - Changing the direction of an entity with the size and complexity of LA County takes time and focused energy
- **Leadership Capacity**
 - The new structure requires additional senior level leadership and enhanced executive skills
- **Culture and Behavior**
 - Departmental independence and deeply engrained behavioral norms require time, proactive communications, and proven progress to evolve
 - Entrenched behaviors and attitudes manifest as active resistance impeded change toward accomplishing the ordinance's intent.
- **Budget and Economy**
 - External forces, i.e. the uncertainty surrounding the State of California budget, caused substantial distractions to the ongoing transition

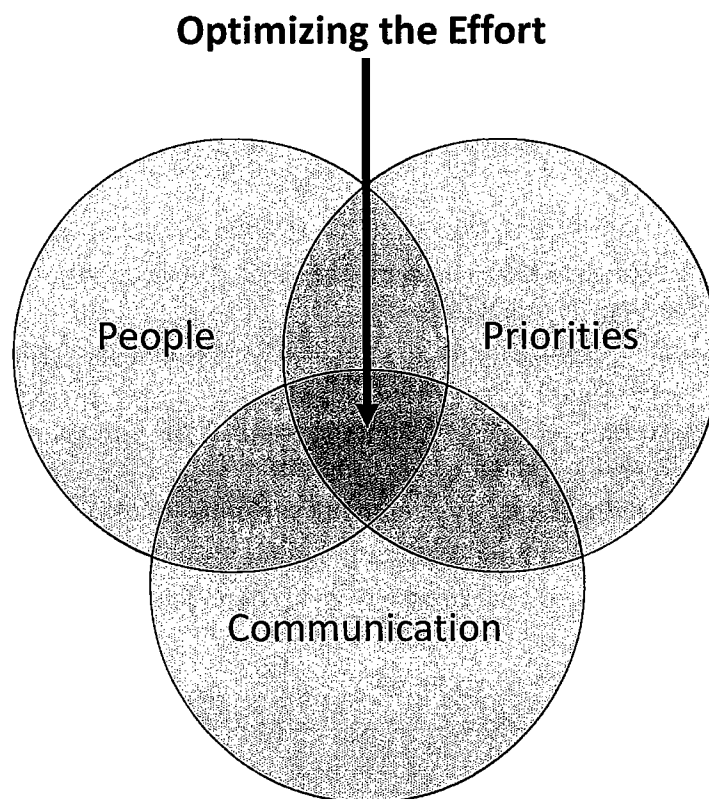
A foundational observation of the study rests on the nature of the ever-changing issues facing County employees on a daily basis. A blanket recommendation for “greater control and consistency” or “greater flexibility and responsiveness” oversimplifies the context in which County employees function. **Instead of such blanket recommendations, County employees must become adept at optimizing their orientation.** Control, consistency, increased top-down visibility, and collaboration by direction are critical tools able to lower costs and improve some aspects of service quality. Similarly, flexibility, responsiveness, speed, and collaboration by choice (and relationship) remain characteristics of a high-performance government. **Management and rank-and-file alike must have the context to optimize behavior around these characteristics for the good of the County and to deliver on ordinance objectives.** Recognition of this fundamental operating framework is core to the recommendations that follow.

The County’s Daily Dilemma: Optimizing the Effort

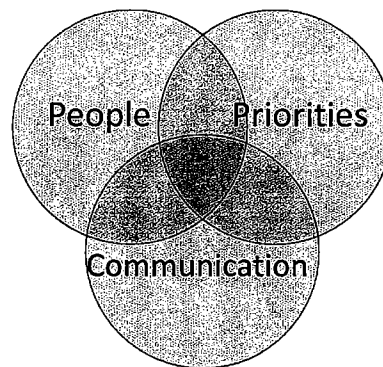


Looking beyond the variation in the ways those in different roles view progress toward ordinance objectives, the study revealed that **ongoing effort in three particular areas would best support the County's performance going forward: supporting ready and motivated employees ("People"), delivering precise, aligned priorities ("Priorities"), and ensuring clear, proactive communications ("Communication")**. Significant improvement in these three areas (as opposed to others such as operations or infrastructure) will directly support the County in delivering on ordinance objectives. Specific recommendations fall into these three areas.

L.A. County's Performance Triad



Effective transition and truly successful implementation of the new governance structure will be greatly improved by adopting the following recommendations. The **recommendations directly relate to the objectives set in the Ordinance and, in turn, are a targeted response to the input and feedback received from the project participants. Although these recommendations may seem straightforward, they express the essential work required for progress and ultimately, success.** Driving each recommendation is the critical need to guide County management away from **implicit behavior and towards explicit action.** The following pages outline each recommendation in greater detail and include a list of performance metrics to evaluate progress. The appendix also references a roll up of the metrics with additional detail about value and benefit.



Recommendations Summary

- Recommendations for optimizing the transition to the new governance structure
 - Affirm **County Executive as the manager of applicable departments**, while setting expectations of facilitative orientation
 - Define **key roles and responsibilities** to support effective implementation of the governance structure
 - Create **explicit priorities**, aligned with Strategic Plan, to direct organization-wide efforts. This alignment must be tied to **outcome-based metrics**
 - Deliver **targeted training** necessary to optimize performance of the governance structure
 - Deliver a **comprehensive communications** program
 - Develop a **change management program** beyond communications and training

Recommendation #1 focuses on **supporting the CEO Office role as manager of the County**. We make this recommendation based on the definition of a manager reflected in the best-practices of management among high-performance organizations, not as an innovation exclusive to the County. County employees remain unclear on whether the role of the CEO Office includes the authority to offer directive management or exclusively the mandate to facilitate discussion among department leaders. To **provide clarity and productive influence on the performance of the County and to more effectively meet ordinance objectives, authority of the CEO Office as manager of applicable departments needs to be recognized and supported**. This means the CEO Office can deliver directive management guidance to departments. However, Department Heads must maintain authority for day-to-day operations, so the orientation of the CEO Office should be toward facilitation whenever practical, with a focus on *engaging, building and fostering interdepartmental collaboration*. That is, directive management should be a back-up management strategy, applied when necessary. To achieve the integrated, seamless service delivery envisioned in the County's strategic plan, a primary focus of the CEO Office must be on interdepartmental service delivery with an exception-based focus on department-specific issues. The CEO Office has the leadership accountability to facilitate this collaboration and provide overall direction on any department-specific exceptions to support this service model. The recommended leadership model should be based on facilitating change with the recognition that CEO management is ultimately accountable for results and performance. Please see recommendation 4 for discussion of training and skill development in support of this recommendation.

Recommendation #1

Support County Executive as the manager of applicable departments, while setting expectations of facilitative orientation

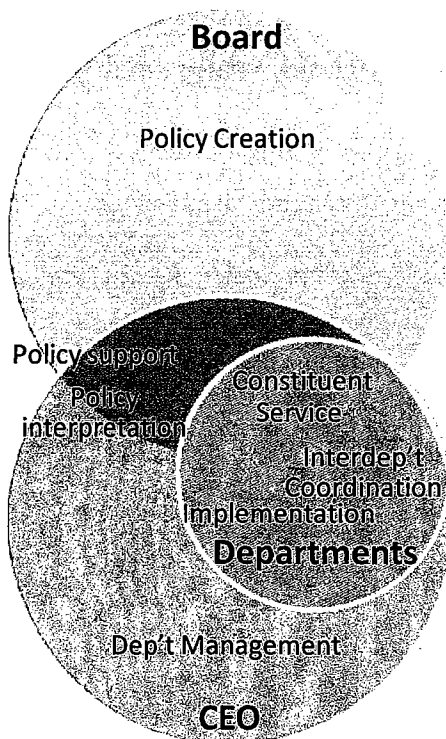
- Clarify and support the role of the CEO as "Manager" (See "Manager/Facilitator" diagram and explanation in Appendix)
 - Recognize the CEO Office role as responsible for:
 - Budget development and management
 - Operations management
 - Policy facilitation
 - Address pivotal roles to ensure consistency with governance model
 - CEO
 - DCEO as critical manager in County structure
 - Clearly articulate specifics of roles and span of authority
 - Provide training in behavior, decision-making, facilitation
 - Clearly link accountability to authority
-
- **Performance Metrics**
 - Existence of written, role-based accountability/decision-making policy and annual evaluation of performance against those parameters
 - Consider posting a description of the CEO Office role for employee reference

Whether the role of the CEO Office is defined as a “Manager” or “Facilitator” may seem subtle, and even minor to some, it is a **critical issue relating to the governance structure of the County** and the model below provides further explanation of the distinctions. The difference between the 2 models relates to **how departments are managed and the resulting responsibility, authority and accountability for performance that accrues to them.**

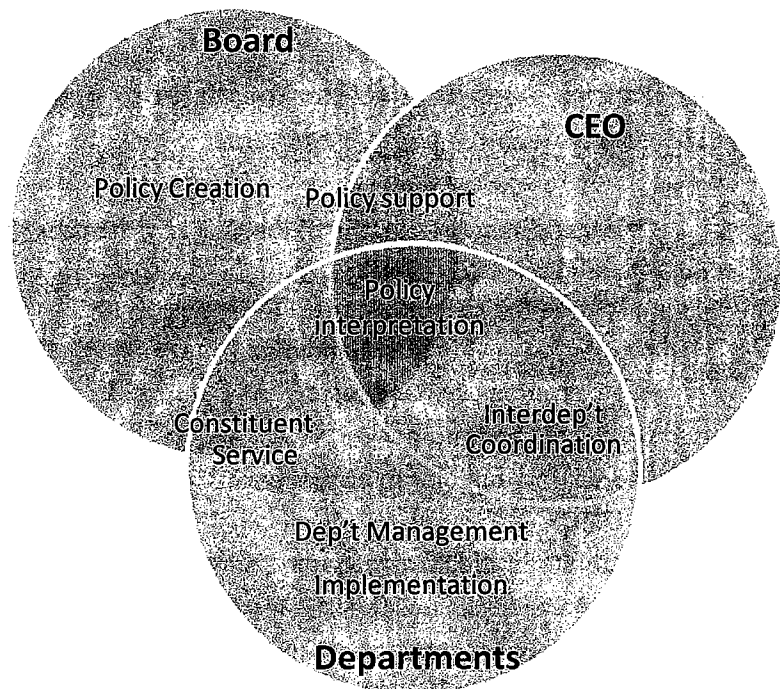
As illustrated in the diagram, the two areas of County governance most significantly impacted are departmental management and constituent services. The implications of this variation will be explored in the appendix.

Two Approaches to CEO Governance

CEO Office as *Manager*



CEO Office as *Facilitator*



Elected or board appointed department heads assumed to have a relationship with the CEO Office as described in “CEO Office as Facilitator”.

Recommendation #2 builds on the 1st recommendation **by addressing the need to develop detailed roles and responsibilities for other pivotal roles throughout County management and governance.** The CEO is obviously one of the critical roles in the implementation of the new governance structure, but effectively executing this role requires **partnership and collaboration with other key roles including department heads, Board deputies, and tactical roles such as budget analysts.**

An unrealized, but intended benefit of the governance structure was increased Board focus on policy development. It has been recognized by both the E&E Commission and throughout interviews that this has largely been an unfulfilled goal. In addition to Board Supervisors, **Board deputies are well-positioned to provide critical policy leadership and their roles in this arena should be explored.**

Department Head responsibility for management, operation and financial accountability remains unchanged. **While the general responsibilities continue, there is a greater need for developing better clarity about their span of control and decision making authority.**

Finally, the role and authority of **budget and policy analysts must be further clarified.** Budget analysts, acting on behalf of the DCEO and CEO, provide critical assessment of budgetary proposals, but there is a significant opportunity to better define their scope of authority as related to the department heads.

Recommendation #2

Define key roles and responsibilities to support effective implementation of the governance structure

- Clearly define and align pivotal roles
 - CEO Office (see “Manager/Facilitator” diagram and explanation in Appendix)
 - DCEO as critical manager in County structure
 - Board Deputy
 - Department Head
 - Budget Analyst
 - Clearly articulate specifics of roles and span of authority
 - Clearly link accountability to authority
 - Define the expectations for “informed collaboration” by role
 - Revisit key business processes (i.e. budget planning, reporting, strategic planning) to ensure consistency with CEO office
- Performance Metrics
 - Percentage achieved on performance assessments including issues such as:
 - Accountability targets
 - Alignment with County priorities
 - Alignment of CEO Office positions with explicit, written responsibilities and authorities
 - Employee feedback mechanism on:
 - Exercise of authority
 - Informed engagement
 - Effective information sharing
 - Compliance with accountability standards
 - Compliance with agreed Board/CEO escalation paths

Recommendation #3 focuses on **the critical need for explicit priorities to direct action and measurable outcomes to assess performance**. The County of Los Angeles is a massive organization with numerous internal and external forces at work. Additionally, the County has many plans, initiatives, and priorities that are in frequent flux. One most current example is the impact of the State budget on County priorities and resource allocation. Every Federal, State and Local initiative can create significant disruptions in County efficiency and effectiveness.

The emergency of the day, the media, the political environment, State and Federal actions and reactions all contribute to mixed messages and shifting priorities.

As previously identified in the E&E Commission report, the Board, the CEO Office and Departmental leadership need to **consciously and continuously align agreed upon strategic directions with day to day operations**. The emphasis of the CEO Office's department oversight should be outcome-oriented, i.e. creating agreed to outcomes and associated measurements of performance. The CEO Office, in consultation with the Board, should facilitate the process of defining the key performance outcomes. It is important this alignment be paired with **Outcome-based metrics in order to give the entire organization clear and consistent direction** and the motivation to stay the course.

Recommendation #3

Create explicit priorities, aligned with Strategic Plan, to direct organization-wide efforts. This alignment should be tied to outcome-based metrics.

- Engage the Board offices, CEO and departments in establishing prioritized County initiatives and outcome planning and defining targeted results
 - Ensure objectives are measurable and time based
 - Establish shared values regarding speed, consistency, flexibility, visibility
 - Align strategic directions with the CEO office
 - Define cluster objectives in the context of the strategic plan
 - Establish and identify key measures in County strategic plan
- Performance Metrics (organized to collect input from each of the critical perspectives listed below)
 - Completion of Action Plan/Key Projects against planned dates
 - Enhanced County Indicators Report of key health, economic, public safety and social service issues ("facts")
 - Project owners of the current LA County report may want to consider evaluating the current Orange County Community Indicators Report for additional topics
 - Time-based analysis of County Press Coverage via Clipping Service ("public")
 - Quarterly board-generated "report cards" ("management")
 - Consider using the Importance/Performance survey to track results over time
 - The list of objectives may need to expand over time as well
 - Employee survey ("team") with emphasis on:
 - Priority clarity and information to perform effectively
 - Resources to perform effectively
 - Comfort with ability to deliver
 - Satisfaction

Recommendation #4 addresses **the requirement for new skills and behaviors necessary to optimize the performance** of the County. The current organizational structure was implemented in real time with professionals from varied backgrounds and experiences. Many of these professionals have highly developed areas of expertise. However, as the nature of various roles throughout the CEO Office have evolved, **the necessary training for the overall management and facilitation required has not been delivered**. It is the nature of organizations to focus on technical skill training “professional development” and not on managerial skill development.

Given the evolutionary nature of the current organization, **there is a high degree of variability in the skills and experiences of the senior management team**. Successful implementation of the County governance model **requires a new, and somewhat more complicated skill set**. These skills includes both **leadership development in the areas of facilitation and collaborative management as well as technical expertise in the areas of financial and policy analysis**.

Recommendation #4

Deliver targeted training necessary to optimize performance of the governance structure

- Establish skill targets (with priority driven by a skills inventory)
 - Policy development and analysis
 - Budget development and management
 - Facilitation
 - Leadership
- Highlight importance and definition of “informed engagement”
- Target range and application of decision-making authority (by role)
- Performance Metrics
 - Annual employee survey to gather 360 feedback on:
 - Job readiness with respect to skills noted above
 - Job readiness of colleagues
 - Frequency of collaborative, “informed engagement” across departments
 - Compliance with decision-making authority policies
 - Establish an objective time-based training evaluation tool
 - Individual progress against role-based learning plans
 - Scores on post-training assessment

Recommendation #5 tackles the **fundamental issue of communication and the essential benefits of keeping the entire organization informed**. The County has numerous communication vehicles primarily focused on specific programs. Most common are ad hoc email and memo distributions. **There is little emphasis on consistency in communication flow in general or on communicating the new structure** implemented by the Board specifically. There has also been **little communication on course corrections or changing circumstances** that affect decisions or the accomplishments, priorities, and values supporting cohesion.

A comprehensive communications plan is simply a way to ensure team members know what they need to know to be effective. Because it involves more planning than ad hoc email and memo distribution, it can appear to consume more time and effort. However, *when results are measured*—including employee readiness to serve the County effectively and navigate the challenges of the “Daily Dilemma”—a comprehensive communications plan delivers results faster with less rework. **By ensuring audiences receive content they need in a format and on a schedule appropriate for their role, the County creates a foundation of clarity** on which to build ongoing effort and collaboration.

Recommendation #5

Deliver a comprehensive communications program

- Maintain and advance core values through consistent messages
 - Increase productivity and overall effectiveness resulting from greater understanding
 - Bridge communication between the leadership, managers and staff
 - Improve efficiency by providing information when and where it is needed
-
- Performance Metrics
 - Creation of role-based communication calendars
 - Execution on communication calendars
 - Employee feedback mechanism on:
 - Satisfaction with communication vehicles
 - Understanding of information required for productivity

Recommendation #6 moves beyond the other recommendations to focus on **the creation of a process to address organizational and cultural change** within the County. Change management is *critical* to a successful transition in any organization. The Board of Supervisors **adopted a sweeping change of its organization without a comprehensive transition plan to ensure success**. Although the plan was well conceived, the challenges and obstacles to implementation were not well understood or articulated. Specifically, **a clear articulation of those aspects of the County's values and culture that were to be preserved versus those aspects in need of change** were not a focus. As a consequence, the commitment and support necessary from all the various stakeholders to ensure success was not built and does not exist.

Based on the alignment of the vision and priorities of the Board and the CEO, the County should identify the broader cultural challenges that still exist and develop a plan for moving the organization forward. **It can not be overstated that the sheer size and complexity of the County as an organization requires a well developed and executed change management program.**

Recommendation #6

Develop a change management program for issues beyond communications and training to support CEO-model success

- Establish shared understanding of values, beliefs and challenges
- Establish a shared point of view regarding speed, consistency, flexibility and visibility. Note: this relates to the Daily Dilemma concept previously mentioned
- Prepare employees for organizational change and engage them in the process
- Ensure effective and sustainable management of the Governance transition
- **Performance Metrics**
 - Incorporate in employee feedback mechanisms:
 - Shared view of priorities and behavior norms
 - Engagement with priorities and overall organizational goals
 - Explicit list of new initiatives and programs launched since program inception
 - Cross-departmental programs
 - Thought leadership forums
 - "Skunk-works" program teams
 - Existence of written, overall cultural alignment plan

The value of this report is not just in assessing the opportunities for improvement, but in the **delivery of actionable steps** towards the desired change. The following “initial actions” address some immediate, tactical steps that the County can take to achieve the performance objectives established by the Ordinance. **The purpose of this section is to provide a step-by-step roadmap that County management can follow to help move towards a more successful implementation of the new structure and more effective management of the County at-large.**

Action Plan

- For each recommendation:
 - Assign ownership responsibility to a person or organization. Ensure responsible parties have time and resources for success
 - Create an advisory council (or individual) to support the recommendation “owners” for purposes of resource allocation or escalation
 - Define progress milestones comprising specific deliverables and timelines
 - Establish monitoring system allowing visibility into recommendation progress for governance body or other interested parties
 - Communicate intentions, ownership, and progress via the emerging “Comprehensive Communications Program” (see Recommendation #4)
- Specific Next Steps for Recommendation #1
 - Review current CEO and DCEO job classifications and responsibilities to ensure consistency with governance model
 - Evaluate existing approval requirements and protocols. Redefine, as necessary to be consistent with role of CEO
- Specific Next Steps for Recommendation #2
 - Define operational and behavior expectations for all pivotal roles in governance structure, (eg. Board deputies, budget analysts, department heads)
 - Evaluate critical processes (agenda development, budget development and adjustments) to ensure roles within processes are clearly defined and consistent
 - Define performance expectations and reporting authority for staff

Action Plan

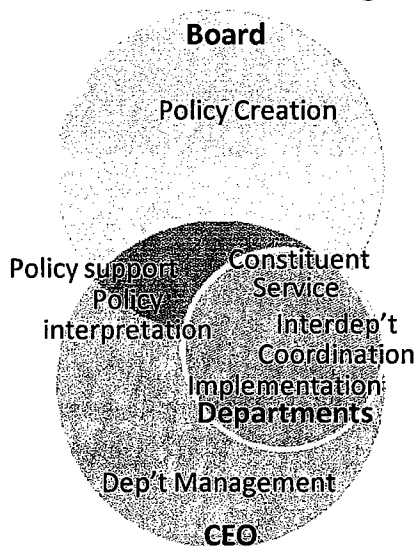
- **Specific Next Steps for Recommendation #3**
 - Identify organizational priorities and reconcile any misalignments
 - Initiate Regular CEO Office review of strategic objectives through cluster meetings
 - Embed metrics in County Strategic Plan to monitor achievement of strategies and objectives
 - Train budget and policy analysts to review and evaluate progress against targeted outcomes
 - Restructure the budget process to incorporate analysis of outcomes and results in decision making process
- **Specific Next Steps for Recommendation #4**
 - Conduct a skills inventory
 - Define desired knowledge, skills and abilities (KSAs) by position and role
 - Develop a prioritized training program that identifies audiences and schedule
 - Implement, manage and evaluate training plan roll-out
- **Specific Next Steps for Recommendation #5**
 - Establish information-sharing guidelines
 - Conduct audit of communication types, audience requirements, communication vehicles, communication frequency
 - Create matrix of people, topics, and effective vehicles
 - Create communications calendar by vehicle
 - Establish communication program ownership and funding
- **Specific Next Steps for Recommendation #6**
 - Assess the major areas of misalignment and focus on the high-leverage opportunities to align beliefs and behavior
 - Engage stakeholders in creating specific activities to build shared understanding of culture, values and desired behaviors
 - Address the issues impacting performance including work practices, job descriptions, recruiting

Appendix

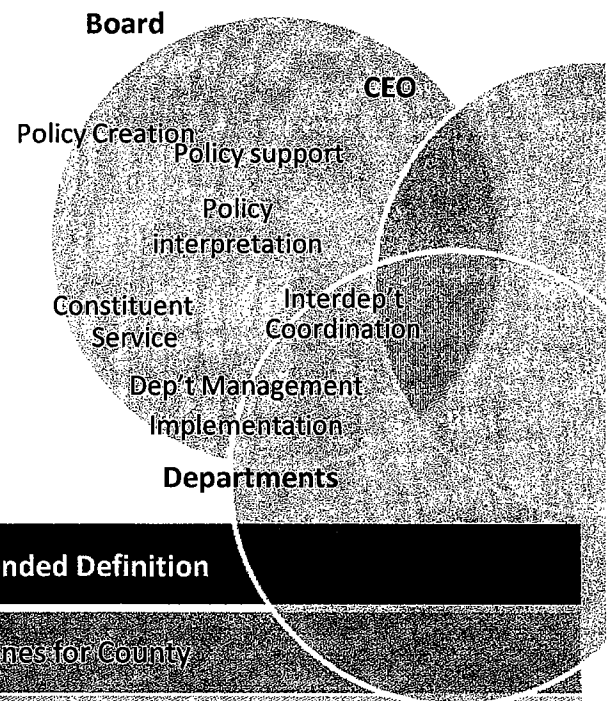
Below is a glossary, defining the various terms used in the model and explaining the differences between the 2 management approaches.

Two Approaches to CEO Governance

CEO Office as *Manager*



CEO Office as *Facilitator*



Key Terms	Intended Definition
Policy Creation	Creation of priorities and guidelines for County
Policy Support	Analytical and other support for creation of Policy
Policy Interpretation	Determination of intent of Policy
Department Management	Oversight and accountability for overall operations
Interdepartmental Coordination	Support of inter-department collaboration
Implementation	Responsible for day-to-day operations
Constituent Service	Response to needs of individual citizens <i>outside</i> normal operations

Below are the advantages and disadvantages of the different management approaches highlighting issues related to accountability, scope of responsibility, policy development, and collaborative efforts.

Two Approaches to CEO Governance

CEO Office as *Manager*

Advantages	Disadvantages
Clear hierarchy and lines of Accountability	May inhibit department initiative
Top Down Accountability	
Promotes consistent voice in external communications	Could be perceived as limiting Board influence
Prioritizes the Board role in policy leadership and development	Minimizes the role of department leadership in policy development
	May be perceived as "de-valuing" department-level expertise

CEO Office as *Facilitator*

Advantages	Disadvantages
Accountability "closer" to implementation	Reduces CEO leadership in departmental change
Values department-level expertise	Requires distributed discipline on execution of roles and authorities
Empowers Department Head leadership	Blurs lines of accountability and responsibility
Empowers multiple, diverse voices in policy and operations	May dilute Board's or CEOs leadership on policy development
	Increases effort to sustain collaboration

The performance metrics are intended to provide the CEO with an ongoing mechanism to monitor performance and evaluate how well the governance structure is progressing towards full implementation. The proposed metrics in this report are not comprehensive metrics for all County management functions, rather, they address critical ways of monitoring progress towards supporting the governance objectives. This page provides a roll up of the performance metrics in the body of the report into 4 key measures with additional detail about the value and benefit.

Performance Metrics

Proposed Metric--	What it is?	Why it's Important?
Importance/ Performance survey	Annual written survey of importance and performance against the eight governance structure objectives. Survey should be administered annually by CEO and results shared with both Board and Departments.	Provides a forum for both identifying specific gaps and monitoring performance trends over time. Promotes transparency and can trigger development of collaborative strategies to enhance performance.
CEO Office Employee Survey	Employee survey emphasizing: <ul style="list-style-type: none"> • Priority clarity and information to perform effectively • Resources to perform effectively • Comfort with ability to deliver • Satisfaction Survey should also address collaboration, exercise of authority, compliance with agreed-to decision-making model.-	CEO Office represents the front-line for communication with department staff and as well as Board offices. How well the CEO Office perceives its capacity and skill set to perform their jobs is an important factor to the success of the governance model and building the necessary collaboration.
Enhanced County Indicators Report	A high-level summary of the key health, economic, public safety, and social service trends in Los Angeles County.	The current progress report is a selection of County measures and focuses on key aspects of County performance. The proposed enhanced report would capture key trends in the County, setting the context and challenge for County services. Currently, there are multiple sources of this data in various reports, (LA Health Survey, Children's Scorecard,) but no common report that provides a comprehensive assessment.
Completion of Key Project (Process Milestones)	The report identifies a number of projects that should be completed to support implementation. Completion of these should be monitored against targeted dates: <ul style="list-style-type: none"> • Communication plan and calendar • Written, role-based accountability/ decision-making policy • Completion of action plan 	Credibility of the CEO is dependent on its ability to execute against plan. Department management should monitor and be accountable for completion of key projects against planned dates.

Contact Information

Performance Works

1631 N. Genesee Avenue

Los Angeles, CA 90046

phone 323.851.5200

email lgoffigon@perworks.com



County of Los Angeles
Chief Executive Office
2010
Strategic Plan



I. Introduction

In March 2007, the Board of Supervisors approved a new system of administrative governance for the County of Los Angeles that formally delegated administrative and operational oversight to the newly created Chief Executive Office:

With administrative management centralized within the Chief Executive Office, it was anticipated that the County would realize benefits to be enjoyed by County residents through improved outcomes, a strengthened Board policy role, increased focus on county customers and increased service integration.

"..delegating to the CEO additional responsibilities for the administration of the County including the oversight, evaluation and recommendation for appointment/dismissal of appointed County Department Heads"

- Board Report, May 15, 2007

New Governance Structure

The Board action in 2007 marked a significant change for the Chief Executive Office from the former Chief Administrative Office, in terms of leadership expectations, responsibilities, and accountability. It also represents a change in the structure of the relationships among the three main leadership groups within the County: the Board of Supervisors, the Chief Executive Office (CEO) and the departments. The governance changes required the CEO to assume new responsibilities. The significance and scope of this change warranted a comprehensive review of strategic priorities for the CEO. This 2010 Strategic Plan is the first comprehensive plan for the management and execution of the new CEO responsibilities. The Plan recognizes the role of the CEO as both facilitator and manager and the need to dynamically perform these roles. While primarily oriented to facilitating, engaging, building and fostering interdepartmental collaboration, the CEO also bears accountability and responsibility for overall County operations and fiscal management.

One of the strategic challenges for this new plan is to create a cohesive roadmap for how the CEO will function in this new leadership role and build the organization, processes, communication channels and operations to fulfill this new role. This new role is reflected in the new CEO mission statement which emphasizes the leadership role of the CEO as both an operations and fiscal manager and moves beyond the "recommending role" that the former Chief Administrative Office held.

Provide fiscal and management leadership and facilitate policy development and effective program implementation, on behalf on the Board of Supervisors, to achieve the County's mission.

Since the Board action in 2007, there have been two primary studies which have evaluated the implementation of the new governance structure and made related recommendations. In 2008, the Citizens' Economy and Efficiency (E&E) Commission conducted an evaluation of the new governance structure. Consistent with the governance change ordinance requirement and a Board instruction for the CEO to respond to the E&E study, the CEO engaged PerformanceWorks in the summer of 2009 to conduct an assessment of the effectiveness of the new structure 18 months after the effective date. The findings from these efforts were important input to CEO planning process and specific strategies and objectives have been developed to address the reports' recommendations.

The CEO Strategic Plan is intended to provide a framework for the CEO over the next three to five years to expand the intended benefits of the new CEO organizational structure and to strengthen the critical capacities within the CEO to succeed in this role. Ongoing monitoring of the Plan will be critical to adjust and modify strategies and objectives to respond to emerging issues.

Overview of Planning Process

The plan was developed in three phases:

Phase 1: Identification of Strategic Issues – The core issues that the plan must address were identified through interviews and a review of recent reports. Specifically, the following data sources were used to identify the strategic issues:

- Interviews and focus groups with CEO staff, Board offices, department heads and department representatives. Many of these interviews were conducted in conjunction with the Governance Study conducted by PerformanceWorks Consulting.
- Governance Study led by PerformanceWorks
- *Report on the Implementation of the New Governance Structure*, Citizens' E&E Commission, July 2008
- Los Angeles County Administrative Governance Transition Report, May 2007
- Report on the progress of the prior CAO Strategic Plan Implementation
- 2009 County Strategic Plan.

The analysis from these interviews and review of reports was consolidated into a Strategic Issues report and presented to managers and staff that participated in the planning process as background for Phase II.

Phase II: Development of Mission, Goals, Strategies and Objectives - Managers and executives from the CEO participated in a series of sessions to develop a revised mission statement to reflect the new role of CEO. Building on the mission statement, goals and strategies were developed followed by the development of specific actions for the next year, presented as objectives. Working sessions were held with representatives from the various branches in the CEO followed by review sessions with executive staff, including the Deputy CEOs (DCEOs), Chief Deputy CEO and CEO.

Phase III: Refinement - Once the core elements of the plan were developed, the plan underwent several cycles of revisions to refine the mission, goals, strategies and objectives and to validate that the plan addressed the critical strategic issues.

Key Strategic Issues

What emerged from the first phase of the planning process were three critical strategic issues that the plan must address linked to the CEO's new role and responsibilities:

- **CEO as leader of County fiscal and operations management** – A number of issues surfaced regarding the CEO's role as it provides the program, operations, and financial leadership necessary for management of County operations, as well as leading the development of the County strategic planning process.
- **CEO as manager/facilitator of departments**
 - The new governance structure increased the administrative and management authority of the CEO for operations management. Both the E&E Commission report and the Governance Study identified the challenges as the CEO transitions into the more explicit leadership role with departments. While this role will emerge over time, it is critical that there be a common understanding among the CEO managers and staff of their new responsibilities and the ability to consistently and effectively execute these new roles.

As indicated in the May 2007, Transition Report:

"The CEO and department heads are jointly responsible for the collaborative, open and accountable culture that is required for a responsive, efficient, high quality public service Los Angeles County organization."

- **CEO as a department** – Although the CEO’s primary focus is responding to external stakeholders and leading department efforts, the CEO also has internal management responsibilities. These strategic issues refer to the CEO’s role in leading, organizing and mobilizing its internal resources to fulfill its mission.

These issues, accompanied with communications, form the basis of the four Strategic Plan goals. Effective communications to support the transition to the CEO structure was identified as a critical issue in the Governance Study. Communications are viewed as the mechanism to support the underlying cultural changes implicit in the new roles and to ensuring policymakers, managers, and staff throughout the County have the knowledge and information to succeed in their positions.

Components of the CEO Strategic Plan

The CEO follows the structure employed in the County of Los Angeles Strategic Plan and includes the following elements:

- **Mission Statement:** An overarching expression of the organization’s purpose and aspiration, addressing both what is intended to be accomplished and the manner for accomplishing it.
- **Values:** Values are shared attributes and behaviors that inform and guide the County’s action in delivering services. The County has adopted nine values and specific defining statements regarding how these behaviors apply to the daily interactions of staff, customers, and the public.
- **Goals:** Departmental goals define the specific ways in which a department will achieve its mission. The goal statements should reflect how the department will support a specific County goal and/or department specific operations.
- **Strategies:** Strategies reflect the “how” of strategic plans and identify at a high-level how the goal will be accomplished. In the County Strategic Plan, strategies translate goals in to ways they will be accomplished over a three- to five-year planning horizon.
- **Objectives:** Objectives are the specific steps, or action plans, on how to accomplish strategies, and define specific timelines for completion. Objectives are reviewed regularly and updated annually.

II. Mission and Values

CEO Mission Statement

Provide fiscal and management leadership and facilitate policy development and effective program implementation, on behalf of the Board of Supervisors, to achieve the County's mission.

Values

The CEO Strategic Plan affirms the County Values:

- Accountability – We accept responsibility for the decisions we make and the actions we take.
- Can-Do Attitude – we approach each challenge, believing that, together, a solution can be achieved.
- Compassion – We treat those we serve and each other in a kind and caring manner.
- Customer Orientation – we place the highest priority on meeting our customers' needs with accessible, responsive quality services, and treating them with respect and dignity.
- Integrity – We act consistent with our values and the highest ethical standards.
- Leadership – We engage, motivate and inspire others to collaboratively achieve common goals through example, vision and commitment.
- Professionalism – We perform to a high standard of excellence. We take pride in our employees and invest in their job satisfaction and development.
- Respect for diversity – We value the uniqueness of every individual and their perspective.
- Responsiveness – We take the action needed in a timely manner.

In addition, the CEO Strategic Plan includes the following values:

- Respect – We respect elected leaders and other stakeholders in developing public policy.
- Innovation – we promote an environment that fosters new and creative solutions.

III. Goals, Strategies and Objectives

The sections below define the four key goals which will drive the CEO achievement of its mission over the next five years. These goals represent the critical outcomes that the CEO will work to achieve to successfully meet its mission. Following each goal are the specific strategies to achieve the goal, followed by the plans or objectives to schedule for the next year to 18 months. Where appropriate, strategies have been cross-referenced to recommendations previously identified through the Governance Study and/or the E&E Commission Study.

Goal 1 – Organizational Effectiveness:

Organize the CEO's staffing and processes to promote accountable, collaborative, responsive, and innovative solutions to managing County government.

Strategy 1: Streamline internal CEO administrative operations and processes to facilitate timely and effective management and implementation of programs and policies.

Objective 1: Review CEO internal processes, including, but not limited to: hiring, contract and grants management, procurement, and travel requests. Document processes including roles, responsibilities, approval processes and timelines.

Objective 2: Based on Objective 1 findings, implement changes to administrative practices to streamline, control and monitor processes.

Strategy 2: Based on the Board-approved Governance structure, realign roles and responsibilities within the CEO to better support the manager/facilitator role of the DCEOs and their staff, in improving County outcomes through interdepartmental collaboration, service integration, and evaluation of barriers to the delivery of services.

Governance Study Recommendation: Define key roles and responsibilities to support effective implementation of the governance structure.

E&E Commission Study Recommendation: The Board consider directing the CEO to develop a job description that explicitly states the role and responsibilities of the Deputy Chief Executive Officers.

Objective 1: Develop a team of managers and analysts from across clusters and branches to clarify lines of authority and responsibility among clusters, central finance, and administrative services including intergovernmental relations, facility development and compensation. (To be pursued in conjunction with Goal 4, Strategy 1.)

Objective 2: Based on the recommendations in Objective 1, realign the CEO organizational structure, as necessary, to ensure appropriate management and staffing levels. Develop decision-flow models to document and clearly define roles and responsibilities.

Objective 3: Review CEO functions based upon an evaluation of which functions are core to the Department's mission and reassign those that are more appropriately placed within another County department.

Strategy 3: Implement a CEO employee development program that supports management training, succession planning, and quality staff development and retention.

Governance Study Recommendation: Deliver targeted training necessary to optimize performance of the governance structure.

Objective 1: Develop a comprehensive training curriculum that provides opportunities for CEO staff to enhance budget and policy analysis and leadership skills.

Objective 2: Launch an internal mentoring program that matches new hires or transfers with experienced staff within the same branch or unit.

Objective 3: Develop a CEO staff rotation program that would provide CEO staff with a variety of assignments and experiences to strengthen their institutional knowledge and professional growth. Review promising models within and outside the County.

Objective 4: Revisit personnel practices, including the Appraisal of Promotability (AP) process, to promote promotional and rotational opportunities throughout the department. Utilize CEO Central to alert and inform staff regarding promotional and rotational opportunities.

Goal 2 – Communication:

Deliver effective internal and external communication channels that provide the Board, County Department Heads, CEO employees and other County employees with the information and knowledge necessary to successfully execute their responsibilities.

Strategy 1: Develop and implement comprehensive internal and external protocols to ensure consistent and timely communications.

Governance Study Recommendation: Deliver a comprehensive communications program.

E&E Commission Study Recommendation: The Board consider directing the CEO to establish communication protocols between the CEO's office and Board deputies; between the DCEOs and Department Heads; and between the Departments and Board offices.

Objective 1: Develop and implement guidelines to standardize information dissemination by CEO to the Board, departments, and public, especially related to electronic communications and document-sharing via e-mail.

Objective 2: Define and document storage procedures and requirements related to key CEO documents. Identify documents that should be available on the County Intranet/Internet, posted within CEO Central, and/or filed within cluster/branches.

Strategy 2: Develop, enhance, and implement technology options for building online resource, knowledge, and communication tools for internal CEO information sharing.

Objective 1: Maximize the use of CEO Central as an on-line resource for CEO to communicate status on CEO initiatives. Define timely posting requirements for internal CEO publications and Board-related documents. Incorporate an expanded search capability and an enhanced CEO staff directory that provides an online knowledge “bank” for project management and lead/contact information.

Objective 2: Explore the cost, benefit, and potential use of technological tools (e.g., Share-Point) to enhance intradepartmental communication.

Objective 3: Identify options for electronic centralized records management to support document identification, storage, retrieval and catalog. Options should include exploring the archiving capability of the Executive Office's CRM for Board-approved documents.

Strategy 3: Deliver enhanced information sharing among CEO staff to ensure effective coordination on strategic priorities.

Objective 1: Redesign the structure and membership of the weekly manager's meetings to foster greater collaboration and information sharing. Develop procedures for posting of key information and actions from meetings utilizing CEO Central, particularly sharing key budget information with all appropriate staff.

Objective 2: Continue to produce a quarterly report for high-priority CEO-led initiatives highlighting results, critical decisions, and identifying project leads. Post to CEO Central.

Objective 3: Heighten the awareness of fiscal policy so that it is incorporated or considered early on in program and policy development.

GOAL 3 – Leadership:

Advance Board priorities and countywide initiatives to facilitate and promote efficient County operations and results.

Strategy 1: Provide leadership and management to promote effective countywide operations, expand efficiencies, and streamline internal County processes.

Governance Study Recommendation: Support CEO as the manager of applicable departments, while setting expectations of facilitative orientation.

Objective 1: Identify budgetary, cost reduction, and performance management strategies to be implemented within the CEO to achieve cost-efficiencies. Track progress, share results and provide guidance to support implementation within County departments.

Objective 2: Develop a more proactive Risk Management model and revise claims process to reduce cost of low dollar, high frequency claims.

Objective 3: Lead countywide cost-reduction programs. Pilot cost-reduction and efficiency programs with departments. Based on pilot results, develop strategies for expansion county-wide, as appropriate.

Objective 4: Define plan for management and membership of Chief Deputies' Efficiency Group. Promote cost reduction and efficiency results on Efficiency Initiative Website.

Strategy 2: In partnership with the Board of Supervisors, provide effective leadership in the consistent review, update and implementation of the County Strategic Plan, so that it embodies the County's strategic direction for the future.

Governance Study Recommendation: Create explicit priorities, aligned with Strategic Plan, to direct organization-wide efforts. This alignment should be tied to outcome-based metrics.

E&E Commission Study Recommendation: The Board consider directing the Auditor-Controller, in coordination with the CEO, to (a) develop a set of organizational metrics to assess success in this new organization and (b) direct the CEO to report annually to the Board on these assessments.

E&E Commission Study Recommendation: The Board consider directing the CEO to design a framework within which policy issues are identified, discussed and place on the agenda for potential action.

Objective 1: Partner with Board offices in the County strategic planning process with a focus on the review and evaluation of the County's progress in improving the governance structure objectives. Use the Governance Model Importance/Performance Survey and other metrics to inform the evaluation.

Objective 2: Set regular discussion sessions of the County and CEO Strategic Plans among CEO management and staff to promote greater collaboration, understanding and support for the Strategic Plans' priorities.

Objective 3: Develop regular forums in which CEO and Board offices can collaboratively and proactively coordinate on emerging financial, operational, and programmatic issues.

GOAL 4 – Fiscal Management:

Ensure the overall fiscal stability of the County of Los Angeles through resource management and revenue enhancement.

Strategy 1: Strengthen the internal resources for CEO to execute his role as the leader of the County's fiscal management and policy development.

Governance Study Recommendation: Deliver targeted training necessary to optimize performance of the governance structure (budget development and management is specifically identified).

Objective 1: Evaluate resources and management needs to support CEO execution of fiscal management leadership.

Objective 2: Strengthen financial management operations by continuing to develop sound fiscal policy, provide strong budgetary support and leadership to County departments, utilize analytical tools such as long-term forecasting, and provide targeted training to budget staff within the CEO and countywide. Effectively communicate the Board's fiscal direction and implementation of fiscal policy to departments and the public.

Objective 3: Expand on work currently underway to more clearly define budget analysts' roles and expectations. Clarify relationship between cluster budget staff and central finance.

Objective 4: Identify strategies for enhancing collaboration and partnership with County departments, the State, and other jurisdictions to develop policies and programs that secure the County's fiscal base, provide greater local control over the use of funding sources, and expand opportunities to increase revenue.

Strategy 2: Strengthen the annual countywide budget development process to support consistency with County strategic and fiscal direction.

Objective 1: Revise the budget timeline and process to ensure early discussions of key policy priorities and issuance of initial instructions by early fall. Provide updated instructions as necessary as revised fiscal information emerges.

Objective 2: Develop a structured process to ensure that CEO Finance provides timely, comprehensive and consistent communications, including standardized tools and written instructions, to budget analysts and other cluster staff during the budget development process. Utilize CEO Central to post early and frequent updates and budget alerts.

Objective 3: Continue to expand the reliance and analysis of performance measures in budgetary decision-making.

IV. Implementation

The CEO is committed to the successful implementation of the Strategic Plan. Progress against the plan will be regularly reviewed and monitored by the CEO executive management. Specific leads will be assigned to coordinate implementation of specific objectives and the plan will be reviewed at least annually to update and revise objectives.

